

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (22-062)**

Subject

Initiative petition from David Roland regarding a proposed constitutional amendment to Article VIII. (Received August 31, 2021)

Date

September 20, 2021

Description

This proposal would amend Article VIII of the Missouri Constitution.

The amendment is to be voted on in November 2022.

Public comments and other input

The State Auditor's office requested input from the **Attorney General's office**, the **Department of Agriculture**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Commerce and Insurance**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety**, the **Department of Social Services**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Conservation**, the **Department of Transportation**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Missouri Senate**, the **Secretary of State's office**, the **Office of the State Public Defender**, the **State Treasurer's office**, **Adair County**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene County**, **Jackson County**, **Jasper County**, **St. Charles County**, **St. Louis County**, **Taney County**, the **City of Cape Girardeau**, the **City of Columbia**, the **City of Jefferson**, the **City of Joplin**, the **City of Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of St. Joseph**, the **City of St. Louis**, the **City of Springfield**, the **City of Union**, the **City of Wentzville**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Malta Bend R-V School District**, **Mehlville School District**, **Wellsville-Middletown R-1 School District**, **State Technical College of Missouri**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, the **St. Louis County Board of Elections**, the **Board of Election Commissioners City of St. Louis**, the **Kansas City Board of Election Commissioners**, the **Platte County Board of Elections**, the **Jackson County Election Board**, and the **Clay County Board of Election Commissioners**.

Benjamin D. Singer, Executive Director, Show Me Integrity provided information to the State Auditor's office.

Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, they expect that their office could absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may be required to request additional appropriations.

Officials from the **Department of Agriculture** indicated this initiative petition has no fiscal impact on their department.

Officials from the **Department of Economic Development** indicated no fiscal impact to their department.

Officials from the **Department of Elementary and Secondary Education** indicated no impact to their department.

Officials from the **Department of Higher Education and Workforce Development** indicated no impact to their department.

Officials from the **Department of Health and Senior Services** indicated this initiative petition has no impact on their department.

Officials from the **Department of Commerce and Insurance** indicated this petition, if passed, will have no cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

Officials from the **Department of Natural Resources** indicated they would not anticipate a direct fiscal impact from this proposal.

Officials from the **Department of Corrections** indicated no fiscal impact.

Officials from the **Department of Labor and Industrial Relations** indicated they anticipate no fiscal impact for this initiative petition proposing to amend Article VIII, version 3, with their assumption that the initiative petition only relates to general and primary elections.

Officials from the **Department of Revenue** indicated no impact.

Officials from the **Department of Public Safety - Office of the Director** indicated no impact for their department, Director's Office.

Officials from the **Department of Social Services** indicated this has no fiscal impact on their department.

Officials from the **Governor's office** indicated this proposal addresses numerous election topics including testing/certification of election machines and alternative voting systems. This proposal should not fiscally impact their office.

Officials from the **Missouri House of Representatives** indicated no fiscal impact.

Officials from the **Department of Conservation** indicated there is no anticipated fiscal impact (cost or savings) to their department associated with this proposal.

Officials from the **Department of Transportation** indicated this initiative petition should have no fiscal impact to their department/Missouri Highways and Transportation Commission.

Officials from the **Office of Administration** indicated this proposal addresses numerous election topics including testing/certification of election machines and alternative voting systems. This proposal should not fiscally impact their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the **Missouri Senate** indicated they anticipate no fiscal impact.

Officials from the **Secretary of State's office** indicated this ballot measure would alter the method of elections for statewide offices, Congressional seats, members of the General Assembly, circuit judges, and other public officials elected at the local level.

Under the current model, each party runs candidates on its own ticket, with the top vote-getter from each party advancing to the general election, joined by any independent or write-in candidates. The proposed measure would instead have candidates of all parties as well as write-ins (independent candidates are not addressed) appear on one primary ticket, with the four highest vote-getters advancing to the general election.

It is anticipated that if an open primary system is put in place, local election authorities could expect some election cost savings due to the reduced number of ballot styles (though these savings could be lessened or overshadowed by an increased cost for printing larger individual ballots). Since the state shares proportional costs for primary elections, any costs or savings by the local election authorities (LEAs) will be shared to a lesser degree by the state in odd-numbered fiscal years. However, due to the scope of the changes that would be involved in instituting this system, the amount of costs or savings to the state is considered to be unknown at this time.

Each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Referendums are submitted to the people at the next general election. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people. If a special election is called to submit a Referendum to a vote of the people, Section 115.063.2 RSMo. requires the state to pay the costs. The cost of the special election has been estimated to be \$7 million based on the cost of the 2020 Presidential Preference Primary.

Their office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

In FY19, over \$5.8 million was spent to publish the full text of the measures for the August and November elections. Their office estimates \$75,000 per page for the costs of publications based on the actual cost incurred for the one referendum that was on the August 2018 ballot.

Their office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Officials from the **Office of the State Public Defender** indicated this initiative petition will have no fiscal impact on their office.

Officials from the **State Treasurer's office** indicated no fiscal impact to their office.

Officials from **Clay County** indicated they estimate the following costs as a result of this initiative petition:

- ~\$20,000 **onetime** software expense to update both primary and general election ballots as well as produce the paper record for each vote in Section 24.2
- ~\$25,000 each primary election to print each paper record under 24.2
- ~\$25,000 each general election to print each paper record under 24.2
- ~\$5,000 each primary election for poll workers to assist with voter inspection of records under 24.2

- ~\$10,000 each general election for poll workers to assist with voter inspection of records under 24.2
- ~5,000 in **onetime** training costs for workers

In sum, ~\$25,000 in onetime costs and ~\$65,000 in recurring costs every even election year (both primary and general).

Officials from **Greene County** indicated there will be costs to their county in the provisions of Section 26.

Section 26 – Sample Vacancy Elections for Potential Cost Estimate:

<u>State Representative Vacancy Election –</u> 16 Polling Locations for House District 135 -	\$70,000
<u>Countywide Vacancy Election –</u> 80 polling locations -	\$357,141
<u>County Commission District Election –</u> 40 polling locations –	\$260,062

Each of the above estimates are independent costs of each other and therefore cannot be added together as one figure for the estimate.

Officials from the **City of Kansas City** indicated this petition would have no fiscal impact on their city.

Officials from **Metropolitan Community College** indicated no fiscal impact to their college.

Officials from the **St. Louis County Board of Elections** indicated this would have no impact on their Board of Elections.

Officials from the **Board of Election Commissioners City of St. Louis** indicated this petition would have no fiscal impact on their local government entity.

Officials from the **Kansas City Board of Election Commissioners** provided the following information and indicated numbers 4) and 6) will apply to every election from here on out and numbers 1), 2), 3), and 5) are a one-time cost, only.

1) Petitions must be checked. Staff overtime and additional temporary staff expenses may be incurred at an estimated cost of \$15,000 to \$40,000.

2) An election in the Kansas City portion of Jackson County costs roughly \$625,000. This cost will be prorated among all the entities that participate in that election, based on voter registration.

3) To supplement the Secretary of State's public education, public notices would need to be sent to all voters or published in newspapers at an estimated cost of \$25,000 to \$100,000 to provide detailed information of the new process.

4) Election day judge and staff training would be estimated at \$35,000.

5) If this proposed amendment becomes law, then their computers used for tabulation would have to be sent back to the vendor and the hardware wiped clean and the new software would be installed for \$15,000. The software for the ballot marking devices must be upgraded and installed by the vendor. Cost is estimated between \$25,000 to \$50,000.

6) Additional security required for election night and days after the elections thru certification due to the unrest that will be caused by the lack of understanding of new voting procedures. Estimated cost \$25,000.

Officials from the **Platte County Board of Elections** indicated they expect no fiscal impact from this petition.

Officials from the **Jackson County Election Board** indicated their software can handle programming for the attached language.

They estimate a cost of \$50,000 for mailings to the voters for voter education and a possible additional cost if the ballot becomes a three page ballot which would necessitate extra judge training \$20,000 and an additional \$63,000 for ballot printing.

Benjamin D. Singer, Executive Director, Show Me Integrity provided the following information:



July 23, 2021

State Auditor Nicole Galloway
301 West High Street, Room 880
Jefferson City, MO 65102

To Auditor Galloway:

I write regarding **fiscal note analysis for initiative petitions 2022-049 and 2022-050** on behalf of Show Me Integrity, Missouri's good government and political reform organization. Our board includes Republicans, Democrats, and independents all committed to a more effective, ethical government of, by, and for the people.

We are Missouri's leading authority on modern voting methods. That is because, **from 2019 to 2021, we led a coalition through Missouri's first and only successful policymaking process, campaign, and implementation of a modern voting system called "approval voting,"** which we did in the City of St. Louis. Previously, St. Louis often elected leaders with less than 40% of the vote in the party primary, and no competitive general election. This left politicians with no mandate to govern, giving special interests greater ability to wield undue influence in city politics.

We explored both approval voting and ranked-choice voting. We consulted closely for months with local election authorities and national experts, including the Ranked Choice Voting Resource Center. After our analysis, we concluded that the City of St. Louis election machines were not compatible with ranked-choice voting at the time. However, as we explored other voting modernization campaigns throughout our state, we discovered that **almost all Missouri election authorities—107 of 116—use election machines that ARE compatible with ranked-choice voting (RCV).** The only counties that do NOT have RCV-compatible equipment are as follows: City of St. Louis; Henry; Moniteau; Phelps; Mississippi; St. Clair; Sullivan; and Worth.

Based on our estimates, we believe the cost of implementing these two petitions will range from \$0 to approximately \$2,265,000 (453 machines). The range depends on various appropriations bills to upgrade old machines across the remaining 9 counties—some or all of which may move forward regardless of these two initiative petitions.

Please do not hesitate to contact us if you have any questions.

For our Republic,

Benjamin D. Singer, Executive Director
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The State Auditor's office did not receive a response from **Adair County, Boone County, Callaway County, Cass County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, Malta Bend R-V School District, Mehlville School District, Wellsville-Middletown R-1 School District, State Technical College of Missouri, University of Missouri, St. Louis Community College, and the Clay County Board of Election Commissioners.**

Fiscal Note Summary

State and local governmental entities estimate no savings, one-time costs of at least \$140,000, and ongoing costs of at least \$90,000 each primary election, \$95,000 each general election, and \$60,000 for all other elections. There could also be additional costs for local government vacancy elections.